

**DEPARTMENT OF BUDGET AND MANAGEMENT**  
**ACTION AGENDA**

**SERVICES CONTRACT**

**ITEM:** 1-S **Agency Contact:** Joel Leberknight (410) 260-7116  
jleberkn@dbm.state.md.us

**DEPARTMENT:** Budget & Management (DBM)

**PROGRAM:** Office of the Secretary  
Division of Policy Analysis (DPA)

DBM's DPA provides procurement oversight and assists State agencies in the provision of cost-effective services.

**CONTRACT NO. & TITLE:** 050R48000237;  
Financial/Financial Related Audit Services  
for State of Maryland Agencies

**ADPICS DOCUMENT ID NUMBERS:** See Attachment 2

**DESCRIPTION:** Multiple award contract to seven vendors  
to perform financial or financial related services for any State agency. The seven Master  
Contractors will compete for any resulting work via a task order basis.

**TERM:** 5/6/2004 - 5/31/2009

**PROCUREMENT METHOD:** Competitive Sealed Proposals

**BIDS OR PROPOSALS:** See Attachment 1

**AWARDS:** See Attachment 2

**INCUMBENTS:** None

**FUND SOURCE:** Various

**APPROP. CODE:** Various

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**ITEM:** 1-S (Cont)

**AMOUNT:** \$7,000,000 Est. Total (5.1 Years)

**PERFORMANCE BOND:** N/A

**REQUESTING AGENCY REMARKS:** A notice of the availability of the Request for Proposals (RFP) was advertised in the *Maryland Contract Weekly* and posted on the *eMarylandMarketplace.com* and DBM websites. An e-mail notice of the solicitation was sent directly to 107 prospective vendors by DBM.

There is an overall 30% MBE goal established for the Master Contracts which will be met by the various selected offerors. The overall MBE goal will be achieved by establishing a specific MBE subcontracting goal for each Task Order Request for Proposals (TORFP). The TORFP specified MBE subcontracting percentage will typically, but not necessarily always, be at least 30% of the dollar value of all payments made by the State to the contractors under each TORFP. However, there will be compensation for any TORFP with an MBE goal of less than 30% by having other TORFPs with an MBE goal in excess of 30%.

The purpose of this contract is to retain independent organizations with Maryland Certified Public Accountants (CPAs) to perform Financial and Financial Related audits for Maryland State agencies. Audits may be required for an entire agency, a specific program or other component of an agency, or a contract being performed for an agency.

Each required audit will be summarized in a TORFP. TORFPs will be issued solely by DBM, as needed, throughout the 5.1 year term of the Master Contracts. All seven Master Contractors will be invited to compete for each specific TORFP. The Master Contractor performing an audit will provide specific recommendations to correct any deficiencies it discovers and otherwise provide recommendations for improvement in the performance of the agency, program or contract.

For each TORFP, Master Contractors may propose labor support within nine labor classifications. The hourly labor rates for each recommended vendor (which have been fixed at a maximum per hour rate) can not be exceeded. Because of the on-going competition afforded by shopping each TORFP to all seven Master Contractors, it is hoped that the Master Contractors will propose to perform specific task orders at less than their maximum hourly rates.

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In the RFP, it was stated that all technically qualified offerors would receive Master Contract awards in order to maximize on-going competition for future TORFPs. A total of eight offers were received. Seven of the eight offerors were deemed responsible and their offers were determined to be reasonably susceptible of being selected for award. These seven offerors were thus deemed "qualified", as indicated in Attachment 1.

The *Award Amount* above is estimated for a total 5.1 year period. The actual amount of work resulting from this award is indeterminate and will be monitored by DBM. Should the amount near the total estimated for the 5.1 year period, the Department will request an increase in the total award amount.

The Office of the State Comptroller has verified, under the Control Numbers in Attachment 2, that the recommended contractors have no known deficiencies in the payment of their Maryland tax obligations. Verification has also been obtained from the Comptroller's Office, or the Department of Assessments and Taxation, as applicable, that the contractors are appropriately registered to conduct business within the State to the extent required by the laws of Maryland.

The contractors **are or are not** resident businesses under the guidelines of BPW Advisory P-003-95 Revised as indicated in Attachment 2.

**DBM REMARKS:** Furnishing of long-term services are required to meet State needs; estimated requirements cover the period of the contract and are reasonably firm and continuing; and a multi-year contract will serve the best interests of the State by promoting economies in State procurement.

Approval recommended.

Board of Public Works Action - The above referenced Item was:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

## WITHOUT DISCUSSION

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**ITEM:** 1-S (Cont)  
5/5/2004

**ATTACHMENT 1**

**BPW**

**BIDS OR PROPOSALS (Cont):**

<u>Offeror</u>	Tech. <u>Rank</u>	Financial <u>Rank</u>	Evaluated <u>Price*</u>
<b>Lindsey &amp; Associates, LLC</b> Towson, MD	Qualified **	1	\$72.11
<b>Bert Smith &amp; Co.</b> Washington, DC	Qualified	2	\$87.20
<b>Thompson, Cobb, Bazilio &amp; Assoc., PC</b> Washington, DC 20005	Qualified	3	\$94.82
<b>Clifton Gunderson, LLP</b> Timonium, MD	Qualified	4	\$115.50
<b>Smart and Associates, LLP</b> Towson, MD	Qualified	5	\$123.72
<b>Stout, Causey, &amp; Horning, P.A.</b> Hunt Valley, MD	Qualified	6	\$128.75
<b>Mitchell &amp; Titus, LLP</b> Washington, DC	Qualified	7	\$156.80

\* **Note:** The evaluated price is a composite figure that represents a percent of each of the 9 hourly labor rates. When they were combined this established the financial ranking.

\*\* **Note:** A "qualified offeror" is one which is responsible and whose proposal is reasonably susceptible of being selected for award.

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**ATTACHMENT 2**

**BPW 5/5/2004**

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**AWARDS:**

**Lindsey & Associates, LLC**

Towson, MD  
Comptroller's # 04-0677-0111  
ADPICS ID # 050B4800070

**Bert Smith & Co. \***

Washington, DC  
Comptroller's # 04-0656-0111  
ADPICS ID # 050B4800068

**Thompson, Cobb, Bazilio  
& Assoc., PC \***

Washington, DC  
Comptroller's # 04-0660-0010  
ADPICS ID # 050B4800074

**Clifton Gunderson, LLP**

Timonium, MD  
Comptroller's # 04-0657-1111  
ADPICS ID # 050B4800069

**Smart and Associates, LLP**

Towson, MD  
Comptroller's # 04-0658-1110  
ADPICS ID # 050B4800072

**Stout, Causey, & Horning, P.A.**

Hunt Valley, MD  
Comptroller's # 04-0659-1111  
ADPICS ID # 050B4800073

**Mitchell & Titus, LLP \***

Washington, DC  
Comptroller's # 04-0680-0011  
ADPICS ID # 050B4800071

**\*Note:** Recommended contractor **is not** a resident business under the guidelines of BPW  
Advisory P-003-95 Revised.